



# COMMISSION NEWS

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**ARIZONA CORPORATION COMMISSION, 1200 W. WASHINGTON, PHOENIX, AZ 85007**

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TO: EDITORS, NEWS DIRECTORS  
FOR: IMMEDIATE RELEASE

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CONTACT: Heather Murphy (602) 542-0844

## **REGULATORS CLAIM FRAUD IN PLATINUM MINING OPERATION**

PHOENIX – The Arizona Corporation Commission’s Securities Division issued a temporary cease and desist order, claiming a Nevada company and several individuals are promoting a fraudulent platinum mining investment in the Flagstaff area. It is against the law for anyone to offer or sell this investment in or from Arizona while the temporary cease and desist order is in effect.

In its 15-page order, the Division names the following company and individuals as respondents:

- Agra-Technologies, Inc., a Nevada Corporation based in Flagstaff
- William Jay Pierson of Flagstaff
- Richard Allen Campbell of Glendale
- William H. Baker, Jr., of Flagstaff
- Jerry J. Hodges of Saint George, Utah
- Lawrence Kevin Paille of Sedona

The respondents are not registered to offer or sell securities within or from Arizona. They tell investors that the company has acquired special technologies to facilitate the extraction of extremely rare and valuable platinum group metals from volcanic cinders.

Respondents also claim to have the mining rights to extract the precious metals from the cinders on Sheep Hill in the Flagstaff area. These cinders have been the centerpiece of a previous Commission order in which other respondents promoted a mining scam that bilked nearly \$1 million from investors.

Sales of Agra-Technologies investments, referred to as Ore Rights and Mining Agreements or “units,” have taken on a national and international scope. Respondents have sold at least \$9.8 million of the units

to about 200 investors across the U.S. and abroad. They also offered and sold Agra-Technologies stock, projecting substantial dividends and an increase in stock value of up to 4,900 to 9,900 percent. Respondents represent that the investments involve virtually no risk.

Among other alleged omissions and false statements, the respondents fail to disclose that about 25 percent of each unit goes for sales commissions while investors have yet to realize any monetary returns. To induce investments, offering materials have featured pictures of platinum bars and during plant tours, investors are shown platinum nuggets mixed with volcanic cinders. The Division believes, however, that the platinum bars and nuggets were not extracted from volcanic cinders utilizing any special technology and expertise.

In an effort to raise funds from current and potential investors, respondents tout the acquisition of other technologies to extract gold, silver and other rare platinum group metals such as palladium and rhodium. The Division alleges that the respondents have yet to extract any precious metals with an economically viable process.

In Arizona, volcanic cinders are typically used to create building materials and are not known to contain enough platinum or other precious metals for economic extraction. Additional information regarding platinum mining and scams can be found in two sections of the Department of Mining website, <http://www.admmr.state.az.us/Publications/circ003ptinaz.html> and <http://www.admmr.state.az.us/Info/scams.html>.

The temporary order allows the respondents to request a hearing and/or respond to the Division's allegations. The respondents have 20 calendar days to request a hearing and 30 days to file a response.

### **Caution for Investors**

Before investing, contact your state securities regulator to check whether both the seller and investment are registered. Entrusting your money with someone for investment purposes, while expecting a profit through the efforts of others, may involve a security and sales agents/dealers subject to registration. **VERIFY BEFORE YOU BUY!** Call the Securities Division, (602) 542-4242, toll free (866) VERIFY-9. The Division's investor education web site also has helpful information at [www.azinvestor.gov](http://www.azinvestor.gov).

The text of the orders and related documents are posted at <http://www.ccsd.cc.state.az.us/enforcement/enforce-orders.asp>. All public documents related to the cases can be viewed and/or printed through the Commission's e-Docket system. The case or docket number

assigned to the Agra-Technologies matter is S-20484A-06-0669.

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